

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Seattle City Light	Mark Dombroski, 684-3168	Thomas Dunlap, 386-9120

Legislation Title: AN ORDINANCE relating to the rates, terms and conditions for the use and sale of electricity supplied by the City Light Department; and amending Seattle Municipal Code Chapter 21.49 in connection therewith.

• **Summary of the Legislation:**

This ordinance changes retail rates for electric service provided by City Light. It will allow City Light to collect sufficient revenue to cover its forecasted costs of service and satisfy the requirements of its financial policies for the 2007-2008 period. The ordinance also makes a few changes to electric service terms and conditions for administrative efficiency, adds one rate schedule, and eliminates some rate schedules which are no longer used or useful. The average rate for the City Light system will be decreased by 4.8%.

- **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

City Light has been working with the City's Finance Department since early 2006 to agree on a revenue requirement, a cost of service allocation, and retail rates that would go into effect as of January 1, 2007. The most recent prior comprehensive rate review resulted in rates that were implemented December 24, 1999 (Ordinance 119747). Updates since then have included power cost adjustments (Ordinance 120149 effective January 1, 2001, Ordinance 120247 effective March 1, 2001, and Ordinance 120385 effective July 1, 2001), a modification to the residential rate schedules (Ordinance 120811 effective June 14, 2002), and the addition of new Tukwila rate schedules pursuant to a new franchise agreement (Ordinance 121098 effective May 1, 2003). The City Attorney's Office has reviewed the proposed rate ordinance changes. New rates and ordinance revisions are required in order to properly reflect forecasted costs of service and to clarify service conditions.

- *Please check one of the following:*

☐ **This legislation does not have any financial implications.** *(Stop here and delete the remainder of this document prior to saving and printing.)*

☒ **This legislation has financial implications.** *(Please complete all relevant sections that follow.)*

Appropriations: This table should reflect appropriations that are a direct result of this legislation. In the event that the project/ programs associated with this ordinance have appropriations that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below.

Fund Name and Number	Department	Budget Control Level*	2006 Appropriation	2007 Anticipated Appropriation
TOTAL				

**See budget book to obtain the appropriate Budget Control Level for your department.*

Notes: None.

Anticipated Revenue/Reimbursement: Resulting From This Legislation: This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below the table.

Fund Name and Number	Department	Revenue Source	2006 Revenue	2007 Revenue
Light Fund-41000	City Light	Retail rates		\$555,152,781
TOTAL				

Notes:

Total Regular Positions Created Or Abrogated Through This Legislation, Including FTE

Impact: *This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below the table.*

Position Title and Department*	Fund Name	Fund Number	Part-Time/Full Time	2006 Positions	2006 FTE	2007 Positions**	2007 FTE**
TOTAL							

* List each position separately

** 2007 positions and FTE are total 2007 position changes resulting from this legislation, not incremental changes. Therefore, under 2007, please be sure to include any continuing positions from 2006

Notes: None.

- **Do positions sunset in the future?** (If yes, identify sunset date):

Spending/Cash Flow: *This table should be completed only in those cases where part or all of the funds authorized by this legislation will be spent in a different year than when they were appropriated (e.g., as in the case of certain grants and capital projects). Details surrounding spending that will occur in future years should be provided in the Notes section below the table.*

Fund Name and Number	Department	Budget Control Level*	2006 Expenditures	2007 Anticipated Expenditures
TOTAL				

* See budget book to obtain the appropriate Budget Control Level for your department.

Notes: Not applicable.

- **What is the financial cost of not implementing the legislation?** (Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented.)

There are no financial costs to the City or City Light of not implementing the legislation.

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** *(Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.)*

None.

- **Is the legislation subject to public hearing requirements:** *(If yes, what public hearings have been held to date, and/or what plans are in place to hold a public hearing(s) in the future.)*

No.

- **Other Issues** *(including long-term implications of the legislation):*

Please list attachments to the fiscal note below: